

RECORDATION NO. 20525 FILED 1425  
JAN 30 1997 - 1 20 PM

ALVORD AND ALVORD  
ATTORNEYS AT LAW  
918 SIXTEENTH STREET, N W  
SUITE 200  
WASHINGTON, D C

ELIAS C. ALVORD (1942)  
ELLSWORTH C. ALVORD (1964)

20006-2973

(202) 393-2266

FAX (202) 393-2156

OF COUNSEL  
URBAN A. LESTER

JAN 30 1 14 PM '97

RECEIVED  
SURFACE TRANSPORTATION  
BOARD

January 27, 1997

Mr. Vernon A. Williams  
Secretary  
Surface Transportation Board  
Washington, D.C. 20423

Dear Mr. Williams:

Enclosed for recordation pursuant to the provisions of 49 U.S.C. Section 11301(a), are two (2) copies of a Security Agreement, dated as of January 24, 1997, a primary document as defined in the Board's Rules for the Recordation of Documents.

The names and addresses of the parties to the enclosed document are:

Borrower: NorRail, Inc.  
308 12th Avenue South  
Buffalo, MN 55313

Secured Party: Bombardier Capital Inc.  
PO Box 991  
Colchester, VT 05446

A description of the railroad equipment covered by the enclosed document is:  
224 railcars NRLX 47600 through NRLX 47823.

Mr. Vernon A. Williams  
January 27, 1997  
Page 2

Also enclosed is a check in the amount of \$22.00 payable to the order of the  
Surface Transportation Board covering the required recordation fee

Kindly return two stamped copies of the enclosed document to the undersigned.

Very truly yours,

A handwritten signature in black ink, appearing to read 'R. Alvord', with a long horizontal flourish extending to the right.

Robert W. Alvord

RWA/bg  
Enclosures

SURFACE TRANSPORTATION BOARD  
WASHINGTON, D.C. 20425-0001

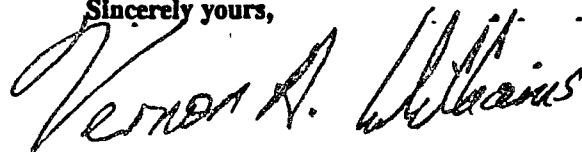
1/30/97

Robert W. Alvord  
Alvord And Alvord  
918 Sixteenth Street, NW., Ste. 200  
Washington, DC., 20006-2973

Dear Sir:

The enclosed document(s) was recorded pursuant to the provisions of Section 11303 of the Interstate Commerce Act, 49 U.S.C. 11303, on 1/30/97 at 1:20 PM, and assigned recordation number(s). 20525, 20526, 20526-A, 20527, 15504-NNNN, 17584-Z, 18976-JJ, 19321-M and 20523-A-20523-B.

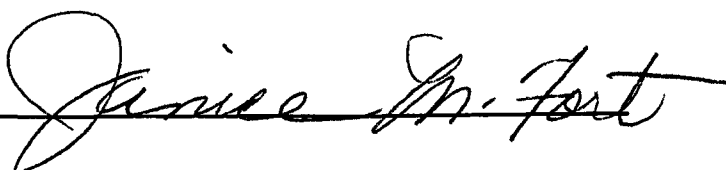
Sincerely yours,



Vernon A. Williams  
Secretary

Enclosure(s)

\$ 220.00 The amount indicated at the left has been received in payment of a fee in connection with a document filed on the date shown. This receipt is issued for the amount paid and in no way indicates acknowledgment that the fee paid is correct. This is accepted subject to review of the document which has been assigned the transaction number corresponding to the one typed on this receipt. In the event of an error or any questions concerning this fee, you will receive a notification after the Commission has had an opportunity to examine your document.

Signature 

## SECURITY AGREEMENT

RECORDED 20585  
JAN 30 1997 1 20 PM

For value received, NORRAIL, INC., a Minnesota Corporation, located at 308 12th Avenue South, Buffalo MN 55313, (herein referred to as ("Borrower")) grants to BOMBARDIER CAPITAL INC., a Massachusetts Corporation, located at P.O. Box 991, 1600 Mountain View Drive, Colchester, VT 05446 (herein referred to as ("Secured Party")), a security interest to secure the payment of a promissory note dated January 27, 1997 (herein referred to as "Note" in the form attached hereto as Exhibit A) executed and delivered by the Borrower to the Secured Party in connection with the purchase by Borrower of those certain railcars described in more detail on the Exhibit B attached hereto (hereinafter referred to as the "Railcars"). This security interest also secures all extensions, renewals, and replacements of the Note with all such advances and obligations herein collectively referred to as the ("Secured Obligation").

To secure payment of the Secured Obligation, the Borrower grants the Secured Party a security interest: (i) in the Railcars, all substitutions and replacements for and proceeds of the Railcars and all accessions, accessories, attachments, parts, equipment, and repairs now or hereafter attached or affixed to the Railcars; and, (ii) leases between Borrower, as Lessor, and its Customers, as Lessees, insofar as such leases relate to the Railcars (all of which is hereinafter referred to as the "Collateral").

1. Borrower warrants, represents, and agrees that:

a. Borrower has title to and will at all times keep the Collateral free of all liens and encumbrances, except the security interest created hereby, and has full power and authority to execute this Security Agreement, to perform Borrower's obligations hereunder, and to subject the Collateral to the security interest created hereby. Borrower will pay all fees, assessments, charges, or taxes arising with respect to the Collateral. There is no encumbrance or security interest with respect to all or any part of the Collateral which either (i) is superior to the Secured Party's security interest hereunder, or (ii) has not been disclosed to the Secured Party by the Borrower. All costs of keeping the Collateral free of encumbrances and security interests prohibited by this Agreement and of removing same if they should arise, shall be borne and paid by Borrower.

b. Pursuant to the provisions of 49 U.S.C. Section 11301(a), Borrower shall cause this Security Agreement to be filed with the Surface Transportation Board, as a primary document as defined in the Board's Rules for Recordation of Documents. In addition, Borrower will execute such financing statements and other documents and instruments and perform such acts as the Secured Party may from time to time reasonably request to establish, maintain, perfect, and enforce a valid security interest in the Collateral, and will pay all costs of filing and recording

c. Borrower's place of business is located at 308 12th Avenue South, Buffalo, Minnesota 55313, and Borrower will notify the Secured Party in writing of any change in location of Borrower's place of business.

d. Borrower will keep the Railcars in good condition and insure them against loss or damage by fire, theft, physical damage, and against such other risk, in such amounts, in such companies and upon such terms as Borrower insures its other owned and leased railcars. Borrower will obtain loss payable endorsements on applicable insurance policies in favor of Borrower and Secured Party as their interests may appear. Borrower will cause each insured to agree, by policy endorsement or by issuance of Certificate of Insurance or by independent instrument furnished to Secured Party, that such insurer will use its best efforts to give 30 days written notice to Secured Party before such policy will be altered or canceled. Borrower irrevocably appoints Secured Party as Borrower's attorney-in-fact to make any claim for, to negotiate settlement of the claims, to receive for and to execute and endorse any documents, checks, or other instruments in payment for loss, theft, or damage under any insurance policy covering the Railcars. Upon default by Borrower in the performance of the obligations hereunder, the Secured Party shall have the authority, but shall not be obligated to: (i) effect such insurance and pay the premiums thereof; and (ii) pay and discharge any fees, assessments, charges, taxes, liens, and encumbrances on the Collateral. All sums so advanced or paid by the Secured Party shall be payable by Borrower on demand with interest at the maximum rate allowed by law and shall be part of the Secured Obligations.

e. Secured Party hereby acknowledges that Borrower is in the business of leasing railcars to others, and that Borrower has heretofore, and may hereafter, lease the Railcars to others (herein referred to as "Lessees") in the normal course of its business pursuant to certain leases (each herein referred to as "Leases"). Secured Party hereby agrees that Borrower may, as part of the terms of any Lease, provide that the Lessee shall maintain the Railcars, pay some or all of the costs incurred in connection with the use and operation of the Railcars during the term of such Lease, including but not limited to, insurance, repairs, maintenance, storage and servicing. Such agreement by Secured Party, however, shall not be deemed to release Borrower from any of its obligations to Secured Party pursuant to this Agreement. Secured Party hereby covenants that, so long as the Lessee under any Lease shall perform all of the terms, covenants and conditions thereof (whether or not there shall have occurred an event of default under this Agreement). Secured Party, and its successors and assigns, will not disturb such Lessee's peaceable and quiet possession and use of the Railcars during the term of such Leases.

f. Borrower will keep and maintain accurate records with respect to the Collateral, and with respect to the general business of Borrower, and will make the same available to the Secured Party at its request for examinations and inspections; and will make and render to the Secured Party such reports, accounting, and statements as the Secured Party may from time to time request with respect to the Collateral.

2. The occurrence of any of the following events shall constitute a "Default": (a) failure of Borrower to pay any amount payable under any of the Secured Obligations for a period of 10 days after the same shall be due; (b) Borrower's failure to perform any material obligation contained in this Agreement and such failure shall continue for 30 days after notice of such failure is given by Secured Party; (c) any levy, seizure or attachment of any portion of the Collateral which is not dismissed by Borrower within 30 days; (d) the commencement of any proceeding or filing of a petition by or against Borrower under the provisions of the United States Bankruptcy Code for liquidation, reorganization or adjustment of debts, or under any insolvency law or other statute or law providing for the modification or adjustment of the rights of creditors, which impairs the value of the Collateral or Secured Party's rights in the Collateral.

3. Whenever a default shall exist, the Secured Party may at its option and without demand or notice, declare all or any part of the Secured Obligation immediately due and payable and the Secured Party may exercise, in addition to the rights and remedies granted hereby, all rights and remedies of the Secured Party under the Uniform Commercial Code or any other applicable law. Borrower agrees in the event of default, to make the Collateral available to the Secured Party at a place or places to be designated by the Secured Party, which is reasonably convenient to both parties, and to pay all costs of the Secured Party, including reasonable attorneys fees in the collection of any of the Secured Obligations and the enforcement of any of the Secured Party's rights. If any notification of intended disposition of any of the Collateral is required by law, such notification shall be deemed properly given if mailed a reasonable time before such disposition, postage prepaid, addressed to the Borrower at the address shown above. The Secured Party's duty of care with respect to the Collateral in its possession shall be deemed fulfilled if the Secured Party exercises reasonable care in physically safekeeping such Collateral, and the Secured Party need not otherwise preserve, protect, insure, or care for any Collateral. The Secured Party shall not be obligated to preserve any rights the Borrower may have against prior parties, to realize on the Collateral at all or in any particular manner or order, or to apply any cash proceeds of Collateral in any particular order of application. No delay or failure by the Secured Party in the exercise of any right or remedy shall constitute a waiver thereof, and no single or partial exercise by the Secured Party of any right or remedy shall preclude other or further exercise thereof or the exercise of any other rightful remedy.

4. Notices. Any notice required or permitted hereunder shall be in writing and shall be valid and sufficient and deemed received when it is delivered personally or telecopied (confirmed receipt) or 3 days after it is deposited in the United States mail as registered or certified mail, postage prepaid, addressed to the other party as follows:

If to Borrower: NorRail, Inc.  
308 12th Avenue South  
Buffalo, Minnesota 55313  
Attention: Mr. Robert D. Johnson  
Telecopy No.: (612) 682-2452

If to Secured Party: Bombardier Capital Inc.  
P.O. Box 991, 1600 Mountain View Drive  
Colchester, VT 05446  
Attention: Mr. George W. Calver  
Telecopy No: (802) 654-8431

and either party may change such address by notice given to the other party in the manner set forth above.

5. Miscellaneous.

a. Governing Law. This Agreement shall be governed by and construed under the laws of the State of Minnesota.

b. Counterparts. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

c. Entire Agreement, Amendment. The terms of this Agreement are intended by the parties as a final expression of their agreement with respect to such terms as are included in this Agreement and may not be contradicted by evidence of any prior or contemporaneous agreement. No modification or amendment to this Agreement shall be valid unless in writing and executed by all parties hereto.

d. Waiver. The waiver of any breach of any term or condition hereby shall not be deemed a waiver of any other or subsequent breach, whether of like or different nature.

e. Severability. If any term or provision of this Agreement or the performance thereof shall to any extent be invalid or unenforceable, such invalidity or unenforceability shall not affect or render invalid or unenforceable any other provision of this Agreement, and this Agreement shall be valid and enforced to the fullest extent permitted by law.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of January 24, 1997.

Borrower: NORRAIL, INC.

By: 

Title: 

Secured

Party: BOMBARDIER CAPITAL INC.

By: 

Title: 

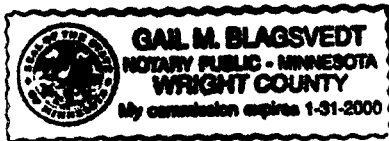
By: 

Title: 

STATE OF MINNESOTA, COUNTY OF WRIGHT, TO WIT:

On this 23 day of January, 1997, before me personally appeared Robert D. Johnson, to me personally known, who being by me duly sworn, says that he is the President of NorRail, Inc., a Minnesota corporation, that said instrument was signed on behalf of said corporation by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

Witness my hand  
and Official Seal:



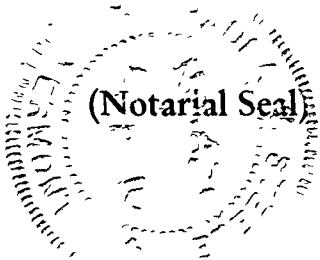
Gail M. Blagsvedt  
Notary Public

My Commission expires: 1-31-2000



STATE OF VERMONT, COUNTY OF Chittenden, TO WIT:

On this 24<sup>th</sup> day of January, 1997 before me personally appeared, George Calver and R. William Crowe, to me personally known, who being by me duly sworn, says that they are the V.P. & General Manager and V.P. and General Counsel, respectively of Bombardier Capital Inc., a Massachusetts corporation, that said instrument was signed on behalf of said corporation by authority of its Board of Directors, and they acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.



Paula Steele  
Notary Public

My commission expires 02 10 1999

## EXHIBIT B

<u>Orig. Mark</u>	<u>New Mark</u>	<u>Orig. Mark</u>	<u>New Mark</u>	<u>Orig. Mark</u>	<u>New Mark</u>
1. SIRX001464	NRLX047600	55. TILX001661	NRLX047654	109. TILX500333	NRLX047708
2. SIRX001468	NRLX047601	56. TILX001662	NRLX047655	110. TILX500340	NRLX047709
3. SIRX001520	NRLX047602	57. TILX001810	NRLX047656	111. TILX500343	NRLX047710
4. SIRX001534	NRLX047603	58. TILX001814	NRLX047657	112. TILX500357	NRLX047711
5. SIRX001642	NRLX047604	59. TILX001816	NRLX047658	113. TILX500373	NRLX047712
6. SIRX001660	NRLX047605	60. TILX001828	NRLX047659	114. TILX500375	NRLX047713
7. SIRX001689	NRLX047606	61. TILX001830	NRLX047660	115. TILX500376	NRLX047714
8. SIRX001831	NRLX047607	62. TILX001846	NRLX047661	116. TILX500400	NRLX047715
9. SIRX001894	NRLX047608	63. TILX001849	NRLX047662	117. TILX500402	NRLX047716
10. SIRX001986	NRLX047609	64. TILX001863	NRLX047663	118. TILX500411	NRLX047717
11. SIRX001997	NRLX047610	65. TILX001867	NRLX047664	119. TILX500429	NRLX047718
12. SIRX500105	NRLX047611	66. TILX001868	NRLX047665	120. TILX500447	NRLX047719
13. SIRX500198	NRLX047612	67. TILX001877	NRLX047666	121. TILX500450	NRLX047720
14. SIRX500246	NRLX047613	68. TILX001881	NRLX047667	122. TILX500451	NRLX047721
15. SIRX500316	NRLX047614	69. TILX001885	NRLX047668	123. TILX500480	NRLX047722
16. SIRX500403	NRLX047615	70. TILX001895	NRLX047669	124. TILX500482	NRLX047723
17. SIRX500525	NRLX047616	71. TILX001905	NRLX047670	125. TILX500483	NRLX047724
18. SIRX500592	NRLX047617	72. TILX001921	NRLX047671	126. TILX500485	NRLX047725
19. SIRX511169	NRLX047618	73. TILX001927	NRLX047672	127. TILX500497	NRLX047726
20. SIRX511174	NRLX047619	74. TILX001937	NRLX047673	128. TILX500502	NRLX047727
21. SIRX511185	NRLX047620	75. TILX001942	NRLX047674	129. TILX500504	NRLX047728
22. SIRX511187	NRLX047621	76. TILX001951	NRLX047675	130. TILX500515	NRLX047729
23. SIRX511189	NRLX047622	77. TILX001952	NRLX047676	131. TILX500521	NRLX047730
24. SIRX511191	NRLX047623	78. TILX001954	NRLX047677	132. TILX500523	NRLX047731
25. SIRX511193	NRLX047624	79. TILX001958	NRLX047678	133. TILX500531	NRLX047732
26. SIRX511474	NRLX047625	80. TILX001959	NRLX047679	134. TILX500535	NRLX047733
27. SIRX511493	NRLX047626	81. TILX001981	NRLX047680	135. TILX500540	NRLX047734
28. SIRX511494	NRLX047627	82. TILX001984	NRLX047681	136. TILX500548	NRLX047735
29. SIRX511501	NRLX047628	83. TILX001990	NRLX047682	137. TILX500553	NRLX047736
30. SIRX511513	NRLX047629	84. TILX001993	NRLX047683	138. TILX500559	NRLX047737
31. SIRX511684	NRLX047630	85. TILX001996	NRLX047684	139. TILX500565	NRLX047738
32. SIRX511685	NRLX047631	86. TILX002001	NRLX047685	140. TILX500573	NRLX047739
33. SIRX511696	NRLX047632	87. TILX002004	NRLX047686	141. TILX500654	NRLX047740
34. SIRX511700	NRLX047633	88. TILX500101	NRLX047687	142. TILX500669	NRLX047741
35. SIRX511702	NRLX047634	89. TILX500144	NRLX047688	143. TILX500684	NRLX047742
36. SIRX511704	NRLX047635	90. TILX500146	NRLX047689	144. TILX511164	NRLX047743
37. SIRX511708	NRLX047636	91. TILX500148	NRLX047690	145. TILX511165	NRLX047744
38. TILX001450	NRLX047637	92. TILX500156	NRLX047691	146. TILX511166	NRLX047745
39. TILX001454	NRLX047638	93. TILX500161	NRLX047692	147. TILX511167	NRLX047746
40. TILX001458	NRLX047639	94. TILX500169	NRLX047693	148. TILX511168	NRLX047747
41. TILX001463	NRLX047640	95. TILX500190	NRLX047694	149. TILX511170	NRLX047748
42. TILX001503	NRLX047641	96. TILX500211	NRLX047695	150. TILX511171	NRLX047749
43. TILX001506	NRLX047642	97. TILX500221	NRLX047696	151. TILX511172	NRLX047750
44. TILX001525	NRLX047643	98. TILX500222	NRLX047697	152. TILX511173	NRLX047751
45. TILX001529	NRLX047644	99. TILX500226	NRLX047698	153. TILX511175	NRLX047752
46. TILX001539	NRLX047645	100. TILX500254	NRLX047699	154. TILX511176	NRLX047753
47. TILX001540	NRLX047646	101. TILX500276	NRLX047700	155. TILX511177	NRLX047754
48. TILX001543	NRLX047647	102. TILX500291	NRLX047701	156. TILX511178	NRLX047755
49. TILX001636	NRLX047648	103. TILX500294	NRLX047702	157. TILX511179	NRLX047756
50. TILX001643	NRLX047649	104. TILX500297	NRLX047703	158. TILX511180	NRLX047757
51. TILX001645	NRLX047650	105. TILX500301	NRLX047704	159. TILX511181	NRLX047758
52. TILX001646	NRLX047651	106. TILX500305	NRLX047705	160. TILX511182	NRLX047759
53. TILX001651	NRLX047652	107. TILX500308	NRLX047706	161. TILX511183	NRLX047760
54. TILX001658	NRLX047653	108. TILX500309	NRLX047707	162. TILX511184	NRLX047761

## EXHIBIT B

<u>Orig. Mark</u>	<u>New Mark</u>	<u>Orig. Mark</u>	<u>New Mark</u>	<u>Orig. Mark</u>	<u>New Mark</u>
163. TILX511186	NRLX047762	185. TILX511470	NRLX047784	206. TILX511686	NRLX047805
164. TILX511188	NRLX047763	186. TILX511472	NRLX047785	207. TILX511687	NRLX047806
165. TILX511190	NRLX047764	187. TILX511473	NRLX047786	208. TILX511688	NRLX047807
166. TILX511192	NRLX047765	188. TILX511479	NRLX047787	209. TILX511689	NRLX047808
167. TILX511194	NRLX047766	189. TILX511481	NRLX047788	210. TILX511690	NRLX047809
168. TILX511195	NRLX047767	190. TILX511482	NRLX047789	211. TILX511691	NRLX047810
169. TILX511196	NRLX047768	191. TILX511483	NRLX047790	212. TILX511692	NRLX047811
170. TILX511197	NRLX047769	192. TILX511484	NRLX047791	213. TILX511693	NRLX047812
171. TILX511198	NRLX047770	193. TILX511486	NRLX047792	214. TILX511694	NRLX047813
172. TILX511199	NRLX047771	194. TILX511491	NRLX047793	215. TILX511695	NRLX047814
173. TILX511200	NRLX047772	195. TILX511498	NRLX047794	216. TILX511697	NRLX047815
174. TILX511201	NRLX047773	196. TILX511511	NRLX047795	217. TILX511698	NRLX047816
175. TILX511203	NRLX047774	197. TILX511523	NRLX047796	218. TILX511699	NRLX047817
176. TILX511204	NRLX047775	198. TILX511525	NRLX047797	219. TILX511701	NRLX047818
177. TILX511205	NRLX047776	199. TILX511532	NRLX047798	220. TILX511703	NRLX047819
178. TILX511206	NRLX047777	200. TILX511543	NRLX047799	221. TILX511705	NRLX047820
179. TILX511207	NRLX047778	201. TILX511638	NRLX047800	222. TILX511706	NRLX047821
180. TILX511208	NRLX047779	202. TILX511656	NRLX047801	223. TILX511707	NRLX047822
181. TILX511462	NRLX047780	203. TILX511675	NRLX047802	224. TILX511709	NRLX047823
182. TILX511464	NRLX047781	204. TILX511678	NRLX047803		
183. TILX511465	NRLX047782	205. TILX511679	NRLX047804		
184. TILX511467	NRLX047783				

**EXHIBIT A  
PROMISSORY NOTE**

January \_\_, 1997  
Minneapolis, Minnesota

FOR VALUE RECEIVED, the undersigned, NORRAIL, INC., a Minnesota Corporation, ("hereinafter referred to as "Borrower") located at 308 12th Avenue South, Buffalo, MN 55313, promises to pay to the order of BOMBARDIER CAPITAL INC., a Massachusetts Corporation. (herein referred to as ("Secured Party")), located at P.O. Box 991, 1600 Mountain View Drive, Colchester, VT 05446 or such other address as the Secured Party may designate in writing, the principal sum of \_\_\_\_\_ DOLLARS (\$\_\_\_\_\_) with interest on the principal amount outstanding, computed on the basis of the actual number of days elapsed and 365-day year, from the date hereof until this Note is fully paid at an annual rate at all times equal to \_\_\_\_\_ percent (\_\_\_%) plus the rate of interest published by the Wall Street Journal, from time to time, as the "base" or "prime" rate of interest for corporate loans at large United States money center banks. The rate of interest on this Note shall change when and as changes to that base or prime rate are published.

From the date of this Note through April 30, 1997, interest on the outstanding principal balance hereof, computed as aforesaid, shall be payable monthly in arrears, upon receipt of invoice from Secured Party and there shall not be any amortization or repayment of the principal hereof during such period. Commencing on May 1, 1997, the outstanding principal shall be payable in \_\_\_\_\_ (\_\_\_) equal monthly installments of \_\_\_\_\_ (\$\_\_\_\_\_) each, payable monthly in arrears, with the first payment due on \_\_\_\_\_, 19\_\_, and on the same date of each month thereafter, with a final installment of the unpaid balance hereof due on April 30, 2004. Interest on the unpaid principal balance hereof, computed as aforesaid, shall be paid monthly in arrears, upon receipt of invoice from Secured Party.

This Note is secured by a first perfected security interest in certain collateral in accordance with the terms and conditions of a Security Agreement dated as of January 24, 1997, by and between Borrower and Secured Party (the "Security Agreement"). The proceeds of this Note were advanced by Secured Party to Borrower to finance the Railcars described in Exhibit B to the Security Agreement. In the event of default in any covenant or payment herein or in any covenant, term or condition contained in the Security Agreement, the entire outstanding principal balance hereunder and interest accrued hereon shall become immediately due and payable, upon written notice to Borrower, as provided in the Security Agreement. The Holder of this Note need not grant nor permit any grace period after default before accelerating the debt created hereby.

The Borrower shall have the right to pre-pay the principal balance due under this Note in whole or in part at any time without premium or penalty, and any partial pre-payment(s) shall be applied in reduction of the principal last to mature hereunder. This Note shall be governed by the laws of the State of Minnesota.

The undersigned hereof:

- A. Agrees to pay this Note in accordance with the terms hereof;
- B. Waives demand, presentment, protest and notice of dishonor;
- C. Consents to any extensions and renewals hereof;
- D. Agrees in the case of any default to pay all costs of collection, including reasonable attorneys' fees, and the maximum interest or late charges permitted by law.

IN WITNESS WHEREOF, Borrower has caused this Installment Note to be executed by its duly authorized officer(s) as of the day and year first above written.

NorRail, Inc.

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_